

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA**

1. ENVIRONMENTAL DISPOSAL &
RECYCLING, LLC, an Oklahoma
Limited Liability Company,

Plaintiff,

v.

Case No. CIV-20-1010-PRW

1. CERTAIN UNDERWRITERS AT
LLOYD’S LONDON, subscribing to
Policy #PGIARK08112-00 and
#PGIXS00702-00,
2. HDI GLOBAL SPECIALTY SE f/k/a
INTERNATIONAL INSURANCE
COMPANY OF HANNOVER SE,

Defendant.

COMPLAINT

A. Parties, Venue and Jurisdictional Facts

1. Plaintiff, Environmental Disposal & Recycling, LLC, is an Oklahoma limited liability company, with its principal location at 19449 County Road 360, in Alva, Oklahoma. Environmental Disposal & Recycling, LLC’s members are Jason Martin and David Aduddell. Jason Martin and David Aduddell are each citizens of the State of Oklahoma

2. Defendant, Certain Underwriters at Lloyd's London (subscribing to Policy # PGIARK08112-00 and #PGIXS00702-00), is a foreign syndication of insurance underwriters.

3. Defendant, Certain Underwriters at Lloyd's, (hereinafter "Lloyd's") agent for service is Mendes and Mount: 750 Seventh Avenue, New York, New York, 10019-6829.

4. Defendant, HDI Global Specialty SE f/k/a International Insurance Company of Hannover SE, is a foreign insurance company, with its country of domicile being Germany.

5. Defendant, HDI Global Specialty SE f/k/a International Insurance Company of Hannover SE may be served through its registered agent for service and/or the Oklahoma Department of Insurance.

6. This action is not related to any other case filed in this court.

B. Jurisdiction

7. The court has jurisdiction over this matter pursuant to 28 U.S.C. § 1332 because there is diversity between the parties and the amount in controversy exceeds \$75,000.00, exclusive of interest and costs.

C. Substantive Facts

8. Plaintiff, Environmental Disposal & Recycling, LLC, owns and operates an oil and petroleum recycling facility located at 19449 County Road 360, in Alva,

Oklahoma.

9. Defendants, Certain Underwriters at Lloyd's London and HDI Global Specialty SE f/k/a International Insurance Company of Hannover SE, issued a package insurance policy, policy number PGIARK08112-00 and an excess policy, policy number PGIXS00702-00, to Plaintiff which provided coverage for Plaintiff's oil and petroleum recycling facility from November 25, 2017 through November 25, 2018.

10 At all times material hereto, the Plaintiff, Environmental Disposal & Recycling, LLC, complied with the terms and conditions of the above described insurance policies.

11. On or about October 6, 2018, heavy rains caused the breach of a containment dyke in the oil processing area of Plaintiff's property which caused a water/crude oil mix to escape the containment pit on Plaintiff's property and run onto neighboring property requiring cleanup and remediation costs, which were covered under the policies issued by the Defendants.

12. The subject insurance policies underwritten by Defendants, Certain Underwriters at Lloyd's London and HDI Global Specialty SE f/k/a International Insurance Company of Hannover SE was in effect at the time of the loss and Plaintiff's damages are covered pursuant to the terms and conditions of Plaintiff's insurance policies.

Count I: Breach of Contract

13. Plaintiff incorporates by reference, as if fully set forth herein, each and every allegation set forth in the preceding paragraphs. and further alleges and states as follows: the subject insurance policies provided by Defendants were in effect at the time of Plaintiff's loss. Plaintiff's damages are covered under the terms and conditions of said insurance policies.

14. Per the directives of the policy, Plaintiff, Environmental Disposal & Recycling, LLC, reported its claim to Defendants' agent, Premier Claims Management, LLC, on or about November 1, 2018. Defendants, Certain Underwriters at Lloyd's London and HDI Global Specialty SE f/k/a International Insurance Company of Hannover SE, have unreasonably failed and refused to issue payment to Plaintiff for its covered losses.

15. The acts and omissions of Defendants, Certain Underwriters at Lloyd's London and HDI Global Specialty SE f/k/a International Insurance Company of Hannover SE, in the investigation, evaluation, and denial of Plaintiff's claim were unreasonable and constitute a breach of contract for which contractual damages are hereby sought. Defendants, Certain Underwriters at Lloyd's London and HDI Global Specialty SE f/k/a International Insurance Company of Hannover SE, breached their contract with Plaintiff, Environmental Disposal & Recycling, LLC, by wrongfully failing to conduct a reasonable investigation and evaluation of

Plaintiff's claim and by unreasonably refusing to issue payment for Plaintiff's covered losses.

Count II: Bad Faith

16. Plaintiff incorporates by reference, as if fully set forth herein, each and every allegation set forth in the preceding paragraphs and further alleges and states as follows: Defendants' refusal to issue full and adequate payment to Plaintiff for its covered losses constitutes a bad faith breach of the insurance policies.

17. Per the directives of the policy, Plaintiff, Environmental Disposal & Recycling, LLC, reported its claim to Defendants' agent, Premier Claims Management, LLC, on or about November 1, 2018. The acts and omissions of Defendants, Certain Underwriters at Lloyd's, London and HDI Global Specialty SE f/k/a International Insurance Company of Hannover SE, in the investigation, evaluation, and denial of Plaintiff's claim were unreasonable and constitute bad faith for which bad faith and extra-contractual damages are hereby sought. Defendants, Certain Underwriters at Lloyd's London and HDI Global Specialty SE f/k/a International Insurance Company of Hannover SE, acted in bad faith towards Plaintiff, Environmental Disposal & Recycling, LLC, by wrongfully failing to conduct a reasonable investigation and evaluation of the Plaintiff's claim and by unreasonably refusing to issue payment for Plaintiff's covered losses.

Count III: Punitive Damages

18. Plaintiff, Environmental Disposal & Recycling, LLC, incorporates by reference, as if fully set forth herein, each and every allegation set forth in the preceding paragraphs and further alleges and states as follows: the unreasonable conduct of the Defendants, Certain Underwriters at Lloyd's London and HDI Global Specialty SE f/k/a International Insurance Company of Hannover SE, was intentional, willful, wanton and was committed with a reckless disregard for the rights of the Plaintiff, for which punitive damages are hereby sought.

Demand for Jury Trial

19. Plaintiff, Environmental Disposal & Recycling, LLC, hereby requests that the matters set forth herein be determined by a jury.

Prayer

20. Having properly pled, Plaintiff, Environmental Disposal & Recycling, LLC, hereby seeks damages against Defendants, Certain Underwriters at Lloyd's London and HDI Global Specialty SE f/k/a International Insurance Company of Hannover SE together in an amount in excess of \$75,000.00; including costs, interest and attorney fees.

Respectfully submitted,

S/ Michael D. McGrew

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